

# Land deal took time, patience and persistence

## Land Winner



By **Martin Sinderman**  
CONTRIBUTING WRITER

**S**ucceeding where many had failed, a development team completed the assembly of several prime parcels in Midtown's Peachtree corridor last year — creating the site for 12th & Midtown, a mixed-use project likely to kick-start efforts to make this core Atlanta submarket a flagship shopping destination.

The assemblage is a finalist in the land category of Atlanta Business Chronicle's Best in Atlanta Real Estate Awards.

A development of Birmingham, Ala.-based **Daniel Corp.**, Atlanta-based **Selig Enterprises Inc.** and Beverly Hills, Calif.-based **Canyon-Johnson Urban Funds**, 12th & Midtown is a recently announced \$1.1 billion, 2.5 million-square-foot, mixed-use office/hotel/retail/condominium project at Peachtree and 12th streets. The first of its three phases is 1010 Midtown, a 433-unit luxury condominium tower and 50,000-square-foot retail project under construction and scheduled to open in fall 2008.

Two future phases call for an additional 1.25 million square feet of office space and 100,000 more square feet of retail, accompanied by high-end hotel and residential units.

Made up of three city blocks on three corners of the intersection of Peachtree and 12th streets, the site for 12th & Midtown was assembled by Steven Baile, Daniel Corp.'s senior vice president for Atlanta operations. He began the process of negotiating with the owners of these parcels in 2003, following the success of

## 12th & Midtown



the Daniel/Selig/Canyon-Johnson Urban Funds partnership in developing Plaza Midtown, a \$100 million mixed-use condo/retail development at 950 West Peachtree.

"We were looking for another opportunity to do a mixed-use project in Atlanta," Baile said. "And when we took a look at this tract, we realized it had really unique potential for a mix of condominium, retail, office and hotel development."

The biggest challenge to getting this deal done was convincing the Carlos family members who owned the parcels that the time was right for them to sell.

"It was largely a process of pulling together a lot of comps [examples of comparable sales] and making sure they were well-educated on what was going on in the Midtown market, so they felt they had enough knowledge to make a decision to sell — and know they were getting fair market value," Baile said.

After three years of back-and-forth with the owners, Daniel/Selig/Canyon-Johnson closed on the site for 1010 Midtown in August for a price Baile said was "north of \$220 per [square] foot."

The sales of the parcels for the next two phases of 12th & Midtown are slated to close "in coming months," he said.

This isn't the only experience Daniel Corp. has had in assembling land for development, according to company President Christopher Brown. In addition to putting together large tracts for master-planned communities in Birmingham, Daniel also recently completed assembling 25 acres across the St. Johns River from Jacksonville.

Regarding the 12th & Midtown project, he said, "we're excited about this one."

"And we look forward to building something that we can drive past 25 years from now and be proud to say we built it."

Assembling the 12th & Midtown tract brings the "Midtown Mile" — an initiative to transform Peachtree Street between 15th Street and North Avenue into a destination shopping district along the lines of Chicago's Magnificent Mile and New York City's Madison Avenue — another step closer to reality, said Midtown Alliance President and CEO Susan Mendheim.

The assemblage enables the development of 12th & Midtown, "which is certainly going to be one of the main catalysts for the Midtown Mile," Mendheim said.

"Almost every developer I know, and a lot of other real estate professionals, have tried and failed at assembling these particular blocks — but Daniel and Selig definitely had the right mix of patience, leadership and vision to put the deal together."



**Juniper retail:** Phase two (illustrated) and phase three of the 12th and Midtown project will include 100,000 square feet of retail.

## Dealmakers

**Developer:** Daniel Corp., Selig Enterprises Inc.

**Equity capital:** Canyon-Johnson Urban Funds

**Architect:** Rule Joy Trammell + Rubio LLC

**General contractor:** Brasfield & Gorrie LLC

**Civil engineer:** Eberly & Associates Inc.

**MEP engineers:** Jordan & Skala Engineers Inc.

**Marketing:** Milesbrand

**Public relations:** Edelman

**Attorney:** Alston & Bird LLP

**Buyer:** Daniel Realty Company LLC, Selig Enterprises Inc.

**Seller:** Eula Caras Carlos, not individually, but as co-executor under the will of Andrew Chris Carlos; Harold E. Abrams, not individually, but as co-executor under the will of Andrew Chris Carlos; and Thalia N. Carlos, not individually, but as executor under the will of Michael Chris Carlos